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*Bob Beane*

21 March 1977

MEMORANDUM FOR: Director of Central Intelligence

FROM : Richard Lehman  
Deputy to the DCI for National Intelligence

SUBJECT : Structure and Manning of the National Intelligence Staff

1. Action Required: None; for your information only.
2. Attached are several documents relating to the NIO system, as background to our meeting scheduled for Wednesday afternoon. They are:

-- The memorandum on manning and vacancies that I promised you last week.

-- The review of the NIO system that I conducted for Mr. Bush last year and that I mentioned at the NFIB meeting on Saturday. In rereading it from my present perspective, I believe it somewhat exaggerates the problems created by the NIO system, both in respect to CIA management and in the quality of the product. These problems are nonetheless real. The illegible marginal comments are by Mr. Bush. The models laid out on Pages 21 to 26 are less useful than the description of the system and its problems.

-- The guidelines for national production issued by Mr. Bush upon completion of this review. We have since followed these guidelines in establishing a National Intelligence Steering Group and in making changes in style and procedure to minimize friction with production

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elements. We have not established the intelligence advisory panel as called for in the guidelines for reasons stated in the next paragraph. In effect, Mr. Bush decided -- and I agree -- that the value of the NIO system was worth the management anomalies that it created.

-- Mr. Bush's guidelines for the Estimates Advisory Panel and our list of prospective members.  
In the course of last summer we set to work to organize the Panel and compiled a list of candidates for membership. We were about ready to issue invitations to those listed when it became obvious that in the political atmosphere of last fall this was simply not a starter. We therefore deferred until we had a new administration, whether it be Democratic or Republican. Then Mr. Bush's departure was announced and we had to defer again until we could consult a new administration and a new Director.

*Reo L*  
Richard Lehman

*Bob/Dick -*  
*I tend to like IAP concept*  
*plus an NFIB advisory panel to*  
*manage production on one hand*  
*& involve NFIB in substance on*  
*other - ST*

Manning &  
Vacancies

21 March 1977

MEMORANDUM FOR: Director of Central Intelligence

FROM : Richard Lehman  
Deputy to the DCI for National Intelligence

SUBJECT : NIO Manning

1. Action Requested: None; for your information only.

2. Summary: This memorandum summarizes the principles applying to selection of National Intelligence Officers (Paras. 3-6). It analyzes the present makeup of the group (Para. 7), and concludes that at least five NIOs, and possibly six, will have to be appointed in the next few months (Para. 8).

3. The original terms of reference for the NIO system are contained in the short memo from Bill Colby attached at Tab A. In my view, this requires that each NIO must have:

-- The stature to speak for the DCI.

-- Certain qualities of mind: analytic, skeptical, innovative, curious, intellectually courageous; able to harness diverse people and organizations with a minimum of abrasion; able to work with a minimum of supervision; willing to take the initiative.

-- Deep knowledge of his subject.

-- Broad understanding of intelligence organizations and processes.

Obviously, not all NIOs, however effective, totally meet all of these requirements; there are no renaissance men among us. The present mix is good, but could be substantially improved. In doing so, I would not let the last requirement get in the way. It is quite possible to back up a distinguished scholar inexperienced in the bureaucracy with an intelligence professional assistant.

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4. Colby set two additional requirements for the overall makeup of the group. He believed that it should be "ecumenical," i.e., it should be staffed from all agencies and from private institutions, in order to demonstrate that he took his Community responsibilities seriously. He also wanted a steady turnover of the NIOs; no one was to serve in such a position for more than 3 to 4 years, thus avoiding some of the shortcomings of the Board of National Estimates in its later days. The first of these creates problems, the second is less difficult.

5. The NIO organization grew out of CIA and the bulk of the original cadre came from there. A proper mix might be half CIA and half others, if quality could be maintained. The fact is, however, that CIA is a source of first-rate people for whom assignment as an NIO is a very desirable step on the career track. Assistant NIO jobs are viewed similarly by intelligence specialists of the military services, but flag or general officers are another matters. We should also have much stronger State representation, but FSOs with any future are understandably most reluctant to become associated with intelligence. Your influence at senior levels of State and Defense will help us get better candidates, but as a general principle we should not sacrifice quality for the sake of a formal devotion to ecumenicalism. CIA officers are quite able to take a critical view of CIA. Moreover, the clearer it becomes that the DCI is in fact the head of the Community as the President wishes, the less important such gestures become.

6. When I assumed my responsibilities last June, the NIO system was approaching the end of its third year and the original tours of the first incumbents were coming to an end. For the sake of continuity, I set as my goal a phased turnover that within my first year would leave no more than half of the incumbents from the original cadre. The goal is about attained, but I have come to believe that Colby's principle must be modified to some extent in practice. The fact is that some NIOs are admirably placed where they are and would be difficult to move. Steady turnover is desirable, but an absolute commitment to a complete change is not.

7. The present roster is as follows:


NIOs				Assistants	
		Agency	Orig Cadre		Agency      Orig Cadre
⊙USSR	Whitman	CIA	Yes		DIA      Yes
⊙SP	Stoertz	CIA	Yes		DoD      Yes
✓CF	Bergin	DoD	Yes		CIA      No
⊙E	Heymann	Rand	No		CIA      NO
✓China	Lilley	CIA	Yes		
✓EAP	Colbert	State	Yes		DoD      No
⊙NESA	Blee	CIA	No		DoD      No
✓AF	Parmenter	CIA	No		DoD      No
✓WE	Clark	CIA	Yes		CIA      No
✓LA	--				CIA      No
✓NP	--				CIA      (New Job)

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Thus six of the eleven positions are occupied by CIA officers, three by others, and six of the eleven are from the original cadre. Of the assistants, six are CIA, four are DoD, and only two are from the original group.

8. Of the present eleven senior jobs, five and possibly six need to be filled in the next few months. Two are vacant, Bergin is retiring, Lilley and Colbert to State, and Clark will move if a suitable assignment turns up. I have attached some notes on each job at Tab B.

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Richard Lehman

Attachments  
Tab A  
Tab B

*Possible additional billet:*  
*separate ? SALT (separate from Strategic)*  
*> Energy/Food*  
*> Net Assessment (to do ours & coord-  
mate with DODs)*  
*Resource availability*  
*Possibly an admin officer - help*  
*with production, arrange*  
*symposia, etc*

OFFICE OF THE CHAIRMAN

Tab A

3 October 1973

## MEMORANDUM FOR USIB PRINCIPALS

SUBJECT : National Intelligence Officers

1. Effective 1 October 1973, Mr. George A. Carver, Jr. is appointed Deputy to the Director of Central Intelligence for National Intelligence Officers (D/DCI/NIO). National Intelligence Officers will be appointed by the DCI for such geographical areas or functional subjects as the DCI may deem necessary from time to time. Each National Intelligence Officer will be the Director's personal representative and will report directly to the DCI on his area of responsibility. Any tasking the NIOs levy on other elements of the Intelligence Community will be subject to the DCI's approval and will pass through the normal command channels of USIB member agencies. It is my hope, however, that the NIOs will maintain extensive informal direct contacts with the elements of USIB member agencies and others in the official and private sectors cognizant of the NIO's area of responsibility.

2. The primary function of an NIO will be to provide contact laterally on his subject across the functionally organized Intelligence Community and with customers and outside consultants as required. Each NIO will be responsible to the Director for providing Intelligence Community coordinated products (using such panels of experts or ad hoc committees and arranging USIB consideration as may be needed) to satisfy requirements for NIEs, NSSM responses, DCI briefings, etc. Each NIO will assist the Director in identifying customer needs for National Intelligence, evaluations of product and program effectiveness, uncertainties requiring collection guidance, analysis or production,

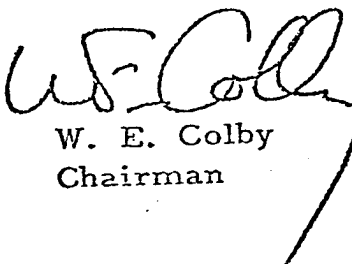
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and national policy problems on which National Intelligence might offer assistance. Each NIO will maintain close personal contact with the NSC Staff and other principal intelligence consumers and contributors at the department level. Every NIO will be charged with presenting for the Director's review fully objective presentations of alternate views and interpretations.

3. The Deputy to the Director of Central Intelligence for the National Intelligence Officers (D/DCI/NIO) is assigned administrative and coordinating authority over the NIOs and will chair meetings of the NIOs for discussion of production standards, work schedules, quality control, and product review.

4. The NIOs will replace the present Board and Office of National Estimates, the Special Assistant for Vietnamese Affairs, and other units as appropriate.

  
W. E. Colby  
Chairman



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Review of  
NIO System

Guidelines for  
National Production

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NFIB-D-14.2/2

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THE DIRECTOR OF CENTRAL INTELLIGENCE  
WASHINGTON, D. C. 20505

4 June 1976


MEMORANDUM FOR THE NATIONAL FOREIGN INTELLIGENCE BOARD

SUBJECT : Guidelines for National Intelligence Production

1. I have approved the attached guidelines for national intelligence production. In so doing, I am stating my strong support for the National Intelligence Officer concept.

2. The Deputy to the DCI for National Intelligence will organize the Intelligence Advisory Panel and the steering group called for in Paragraph 6.

3. Issuance of a revised DCID 1/1 will be deferred until satisfactory procedures involving these new entities have been evolved. In the interim, present procedures for the production of National Intelligence Estimates and related papers will remain in force.

  
George Bush

Attachment:  
Guidelines for National  
Intelligence Production

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declassification schedule of E.O. 11652  
exemption category 5B(1), (2), (3)  
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Attachment  
NFIB-D-14.2/2  
4 June 1976

National Production

1. Organizational Location: Responsibility for national intelligence production, other than current, will be lodged in the Office of the Director of Central Intelligence, in accordance with Executive Order 11905.

2. National Intelligence Officers: The National Intelligence Officers will constitute the DCI's staff for this purpose.

- a. The NIO structure will be headed by the Deputy to the DCI for National Intelligence. He will work in close cooperation with the DCI's Deputies for the Agency and for the Community.
- b. Each NIO will be a senior staff officer who will serve the DCI directly as senior counselor on his assigned area of substantive responsibility.
- c. The NIOs will be drawn as broadly as possible from elements of the Intelligence Community, other government components, and outside government. In principle, NIO assignments will be rotational for two to three years.
- d. The number of NIOs and the apportionment of portfolios among them will depend on the DCI's perception of his needs at any given time.

3. Responsibilities: The NIOs will be responsible to the DCI for:

- a. Supervising non-current\* national production including:

\* *Current intelligence at the national level will continue to be a responsibility of CIA. CIA and the NIOs will concert to avoid inconsistency in substantive reporting.*

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- Formal National Intelligence Estimates and Special National Intelligence Estimates
  - National Intelligence Analytical Memoranda
  - Interagency intelligence memoranda and studies
  - Intelligence Alert Memoranda
  - Selected DCI briefings
  - Other analyses and assessments of varying degrees of formality requested by senior consumers -- or commissioned to fill an obvious need -- whose preparation involves the work of more than one component of the Intelligence Community.
- b. Providing a coordinating mechanism, operating on behalf of the DCI, to focus the talents and resources of all Community components on problems of particular importance.
- c. Maintaining continual dialogue with senior consumers at the Assistant Secretary level or above, or their military equivalents, to ensure that they receive the best possible intelligence support, and to provide a channel for continuous feedback on intelligence matters. This responsibility will also include providing for the policy level consumer one point of contact to which he can turn for any form of intelligence support, knowing that his request will be passed on to those elements of the Community best equipped to handle it.
- d. Within the Intelligence Community, developing and maintaining contact among all who work on any given substantive area -- collectors, analysts and producers.

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- e. Maintaining contact with knowledgeable experts outside the government to ensure that intelligence production benefits from the full range of thinking in the United States.
- f. Developing major substantive requirements and providing assistance to the evaluation of intelligence performance, in cooperation with the Deputy Director, Community and his staff.
- g. Performing any other tasks the DCI assigns.

4. Production Mechanism:

- a. The NIOs will not normally function as a production office.\* The NIO structure will not include a drafting staff.
- b. The actual drafting of national products will be done by line officers drawn from the Community components best equipped to handle the particular project in question.\*\*
- c. The drafting of national products will be done under the supervision of the NIO responsible for the project in question. A draft so produced will not be viewed as an institutional product, i.e., neither the office nor the component to which the drafter(s) belong will be obligated to support the draft during the coordination process.
- d. After a draft has been produced and reviewed, it will be submitted to concerned line components for coordination and discussion. The precise nature of these coordination procedures will vary with the formality of the document -- NIEs and SNIEs being the most formal. In every instance, however, line entities will have ample

\* *There will be occasional instances where, on matters of great sensitivity, some senior official will ask for a substantive comment quietly prepared by a single person.*

\*\* *Procedures for minimizing the disruption of line offices' work and erosion of line command jurisdiction entailed by this approach are outlined in Paragraph 6.*

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opportunity to express their views and the NIO responsible will be under an obligation to ensure that the final product fairly reflects significant differences of opinion.\*

5. Collegial Review (The Intelligence Advisory Panel):

One criticism of the current approach has been that national products do not, at any stage in their production, receive a collegial review. This deficiency will be rectified by the creation of an Intelligence Advisory Panel to the DCI.

- a. This Panel will consist of approximately three dozen highly-qualified people drawn from a variety of disciplines. The Panel will be recruited from within the Intelligence Community, the non-intelligence components of the government, and -- to the extent feasible -- the outside world: academia, industry and journalism.
- b. The optimum point for collegial review in the production process is after the basic draft is prepared and before it is circulated for coordination. Consequently, for each NIE/SNIE or other significant national product (deadlines permitting), three people will be picked from the Intelligence Advisory Panel to go over that particular paper in draft.
  - The Panel members involved will meet in Washington and spend whatever time is necessary going over the draft with the NIO, the project chairman and the drafters. They will critique the draft for balance and objectivity, ensuring that it addresses the right questions, is clear and cogent, and

\* *Coordination among Intelligence Community components is an essential feature of the production of truly national products. The concept of coordination does not involve the development of consensus judgments. Divergent views will be submitted to debate among knowledgeable experts, but where significant differences on important issues remain unresolved, they will be reflected in the final finished product so that policy level consumers will be fully aware that there are such differences, what they are, and what are their bases.*

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takes proper account of ancillary issues and critical variables.

- Membership on the Intelligence Advisory Panel will not entail a large expenditure of time over a prolonged period, but rather a willingness to work intensively for periods of short duration. (The reason for having so large a Panel is to ensure that on any given national product three good reviewers will be available.)

- c. The Intelligence Advisory Panel can also advise the DCI on the overall quality of the national production effort and can engage in that effort the best talent available in the United States. While the Panel will seldom, if ever, meet as a whole, various members of it can and will be convened to participate in seminars or discussion groups critiquing the totality of our effort in various fields.
- d. Although the Panel will be advisory to the DCI, its normal point of contact with the DCI's office will be D/DCI/NI.

6. Minimizing of Line Disruption: Since the NIO structure will not have its own independent drafting staff and will be forced to borrow talent from line components, some intrusion on line offices is inevitable. The amount of this intrusion, however, will be minimized by the following steps:

- a. The D/DCI/NI will be responsible for ensuring that requests for intelligence support levied on the Intelligence Community through the NIOs do not overburden the system. Should this occur, he will raise this problem directly with requesting consumers to refine their requests or put them in priority order, and will advise the DCI on the problems involved as appropriate.

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- b. The D/DCI/NI will chair a steering group that will include the heads of the major production components of the Intelligence Community. This group will meet regularly to review the national production effort and ensure that the workload is properly and fairly distributed. It will keep under continuing review production schedules and requests for specific projects involving extensive work to ensure that tasking for national products is handled with the greatest efficiency and least disruption to line components.
- c. Each NIO will be specifically charged with levying his requirements through the appropriate chain of command of the Intelligence Community components involved. The procedures used by each NIO with each component will be worked out to the satisfaction of the component's head.
- d. Any component head who feels that NIO-sponsored tasking is disrupting his office should take this matter up initially with the NIO involved, then with the D/DCI/NI and -- if that does not prove satisfactory -- directly with the DCI.

7. Credit for National Products:

- a. When a national product involves the work of more than one Intelligence Community component, identification of the offices and components contributing to it will be prominently noted in the document.
- b. Where a request from a senior consumer, passed through the NIO structure, is met by a product which is predominantly the work of a single Community component, that component will issue the response. It will be forwarded by the NIO to the consumer with the transmittal note calling attention to the fact that the consumer's request was taken care of by the attached "CIA Memo," "DIA Memo," etc.

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8. The CIA Relationship: One of the NIOs' main functions is to help knit the Community together as an organic whole and, in producing national intelligence, draw on the totality of Community resources. The NIOs will, however, have a special relationship with CIA, growing naturally from the fact that CIA, as the only producing organization fully dedicated to national intelligence needs, plays a proportionately larger role in national production. Arrangements will be worked out with the Deputy for CIA to ensure that he is kept abreast of the uses that the NIOs are making of CIA resources.

9. Relations with the Deputy to the DCI for the Intelligence Community: The relationship between the NIO structure and the Deputy Director, Community will obviously have to be a close and cooperative one -- particularly with respect to the DCI committees (formerly USIB committees) on which the NIOs will have to rely and for which the Deputy Director, Community has supervisory responsibility.

a. Arrangements will be devised to ensure a mutually supportive relationship between the NIO structure and the Intelligence Community Staff to:

-- Give the Deputy Director, Community guidance with respect to basic needs, ~~requirements~~, future perspectives, etc;

*Yes*

-- Help him strike the right balance between resources and substantive needs, matching the former to the latter wherever possible but arranging substantive needs in priority order.

-- Assist the Deputy Director, Community in his and his staff's evaluation work.

b. These arrangements will be structured to minimize areas of non-productively overlapping responsibilities. The NIOs, for example, will be in continuous touch with consumers to stay abreast of their evolving needs; the IC Staff will be responsible for evaluation of products and services -- but both will contribute to giving the DCI overall assessments of the Community's total performance.

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ESLIMACS  
Advisory Panel

NATIONAL FOREIGN INTELLIGENCE BOARD

NFIB-D-14.2/3  
14 July 1976

MEMORANDUM FOR THE NATIONAL FOREIGN INTELLIGENCE BOARD

SUBJECT: The Estimates Advisory Panel

REFERENCE: Guidelines for National Intelligence  
Production  
(NFIB-D-14.2/2, 4 June 1976)

1. The enclosed memorandum from the Director of Central Intelligence forwards Terms of Reference on the subject Panel.

NFIB ACTION REQUESTED

2. The original response date requested by the DCI (19 July) has been extended to close of business 23 July 1976 to allow each NFIB Principal, if appropriate, to advise Mr. Richard Lehman, Deputy to the DCI for National Intelligence, of any comments or suggestions on the attached Terms of Reference.

*Walter Elder*  
WALTER ELDER  
Executive Secretary

Enclosure

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Enclosure  
NFIB-D-14.2/3

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

14 July 1976


MEMORANDUM FOR THE NATIONAL FOREIGN INTELLIGENCE BOARD

SUBJECT: The Estimates Advisory Panel

REFERENCE: Guidelines for National Intelligence Production  
(NFIB-D-14.2/2, 4 June 1976)

1. In my memorandum to the Board of 4 June 1976, I approved guidelines for National Intelligence Production, including the establishment of an "Intelligence Advisory Panel." Terms of Reference for this body, now to be called the Estimates Advisory Panel, are attached.

2. It is important that we get the best possible people, with the widest range of views and interests, to serve on the Panel. Please let me have any suggestions you may have by Monday, 19 July. Responses should be addressed to Mr. Richard Lehman, Deputy to the DCI for National Intelligence, Room 7E47, CIA Headquarters Building, Washington, D.C. 20505.

  
George Bush

Attachment:  
Terms of Reference

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Attachment  
NFIB-D-14.2/3  
14 July 1976

MEMORANDUM FOR THE RECORD

SUBJECT: Terms of Reference for the DCI's Estimates Advisory  
Panel

The DCI has approved the following:

1. Criteria for Selection. For the Panel we need as broad as possible a cross-section of informed American opinion on foreign policy matters. Panel members should have rather broad area or functional specialties, as well as the cast of mind that would enable them to be helpful on subjects outside their specialties. Few retirees from the Agency should be Panel members, nor should many members be serving intelligence officers. Indeed, the bulk of Panel members should be from outside the government. Moreover, we want to be sure that the Panel does not consist largely of those who have already served us for years as consultants. We want to seek both more prestigious persons than we have sought before and younger, up-and-coming academic stars, including some who for ideological or political reasons probably would not have agreed to serve only a year or so ago.

2. Number. Our three-dozen membership figure seems about right, though there is nothing magic about it, and we certainly would not want to reduce our flexibility by setting any hard figure.

3. Term. Panel members will generally serve for about three years and should so understand. We will wish to stagger their terms so that we will have a steady flow of those joining and leaving, and we may wish to extend the terms of some particularly valuable members.

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4. Functioning. The appropriate NIO will decide which members of the Panel are invited to form a sub-panel. Panel members will serve as individuals; it is essentially up to them to determine in consultation with the NIO how they work once a sub-panel is convened. There will be no need for them to reach a consensus.

5. Satisfaction of Sub-Panel Members. Sub-panel members will review a paper when the responsible NIO judges he has a useful draft and before coordination is sought. Members will be told that their views are essential, but may or may not be accepted. In any case, their views will be made known to the DCI, along with our position on those views. Under certain unusual circumstances, such as a paper which produces a persisting controversy, we may wish to reconvene a sub-panel or subsequently to seek the individual views of its members.

6. Types of Production Reviewed. We expect that Panel members will review most NIEs, SNIEs, and some IIMs, if there is time and if the subject is such that the members have the ability to be helpful. We will assemble a list of a dozen or so papers of the type Panel members might have reviewed in the past. We anticipate the review of 30 to 35 papers a year.

7. Other Uses of Panel. We anticipate that other uses of Panel members might develop, but we cannot be specific at this time. Prospective Panel members could be told, if they ask, that they might be asked to provide other types of advice as we gain experience with the Panel and as its functioning evolves.

8. Public Acknowledgment of the Panel. Prospective Panel members must understand that we will make no effort to keep their membership secret. We will not, however, make any effort to publicize the Panel's existence or its membership, nor will we disclose a member's association with any paper he or she reviewed. To do any of these things would only encourage misunderstanding about the purposes and nature



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of the Panel and, perhaps, even create an issue that would stimulate the press.

9. Name of the Panel. Both to increase the attractiveness of serving on the Panel and to lessen the chances that its purposes will be misunderstood, the Panel should be named the Director of Central Intelligence's Estimates Advisory Panel.



Richard Lehman  
Deputy to the DCI for National Intelligence

7 July 1976

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